



David Lehman
Commissioner

TESTIMONY PRESENTED TO THE COMMERCE COMMITTEE

Tuesday, February 22, 2022

*Alexandra Daum, Deputy Commissioner
Paul O. Robertson, Deputy Commissioner
Department of Economic and Community Development*

*House Bill No. 5124 AN ACT CONCERNING REVISIONS TO CERTAIN
ECONOMIC AND COMMUNITY DEVELOPMENT-RELATED STATUTES.*

Senator Hartley, Representative Currey, Senator Martin, Representative Buckbee and members of the Commerce Committee:

My name is Alexandra Daum, and I am a deputy commissioner at the Department of Economic and Community Development (DECD). With me today is our new deputy commissioner, Paul O. Robertson. We appreciate this opportunity to testify in support of House Bill 5124 An Act Concerning Revisions to Certain Economic and Community Development-Related Statutes.

Our mission at the Department of Economic and Community Development (DECD) is to develop and implement strategies to increase the state's economic competitiveness. We do this by attracting and retaining businesses and jobs, revitalizing neighborhoods and communities, and preserving and promoting cultural and tourism assets.

HB 5124 contains various technical corrections to DECD's statutes that will reduce ambiguity and allow our agency to implement state programs as intended. Sec. 1 is being requested at the recommendation of our general counsel to clarify that DECD may partner with external entities to implement the Small Business Express (EXP) program. As you will recall from the 2021 session, partnering with lending institutions, instead of competing, was the main premise of DECD's EXP proposal that passed last session.

Sec. 2 is needed because the Innovation Corridor and Connecticut Communities Challenge (CCC) programs' enabling language that ultimately passed in the 2021 special session left some ambiguity around the amount of funding and grant process for these new programs. This section would clarify (1) that DECD may only spend up to \$100 million on each program, (2) the competitive process by which DECD may select grant recipients, and (3) the maximum grant amount for each grant under the CCC program.



Please note that this change does not require any additional resources, as these programs already have a funding plan in place as part of DECD's Economic Action Plan.

Sec. 3 would allow for broader use of the application fees received under the tax credit for rehabilitation of certified historic structures program. The proposal would maintain that fees be used for the administration of the program, but also allow for future programming that aligns with the State Historic Preservation Office's (SHPO) statewide preservation plan, "Shared Stewardship: 2018-2023." The statewide preservation plan is a requirement of the SHPO's annual grant from the National Park Service. Future uses of the fees could include programming that (1) builds demographic representation in the field of historic preservation and (2) supports preservation initiatives in rural and historically underserved communities. Of note, the fees collected from applications to the program partially fund the administrator's salary and cover the costs of the administrator's office supplies.

Lastly, Sec. 4 is a technical correction requested by the Legislative Commissioner's Office (LCO), which DECD has no concerns with.

We urge the committee's support of HB 5124 and are happy to answer any questions you may have. Thank you for your time and consideration.